

Message Text

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PAGE 01 LONDON 03984 01 OF 02 121923Z

45

ACTION EUR-12

INFO OCT-01 EA-09 ISO-00 SP-02 USIA-15 AID-05 EB-07 NSC-05

CIEP-02 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00

FRB-01 INR-07 NSAE-00 XMB-04 OPIC-06 LAB-04 SIL-01

L-03 H-02 AGR-10 IO-11 /128 W
----- 114887

R 121912Z MAR 76

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 9818

INFO AMEMBASSY BONN

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY TOKYO

USMISSION EC BRUSSELS

USMISSION OECD PARIS

USDOC WASHDC

UNCLAS SECTION 01 OF 02 LONDON 03984

DEPARTMENT PASS TREASURY AND FRB

E.O. 11652: N/A

TAGS: EFIN, UK

SUBJECT: UK TRADE AND CURRENT ACCOUNT IN FEBRUARY

SUMMARY: IN FEBRUARY, THE UK CURRENT ACCOUNT IS ESTIMATED TO HAVE BEEN IN DEFICIT BY 129 MILLION POUNDS (S.A.) A DETERIORATION OF 76 MILLION POUNDS OVER THE JANUARY DEFICIT OF 53 MILLION POUNDS (REVISED). THE VISIBLE TRADE DEFICIT OF 249 MILLION POUNDS (S.A.) WAS COMPOSED OF A 348 MILLION POUND DEFICIT IN PETROLEUM AND RELATED PRODUCTS AND A 99 MILLION POUND SURPLUS IN NON-OIL RELATED GOODS. PROVISIONAL ESTIMATES SHOW EXPORTS OF 1,756 MILLION POUNDS (S.A., F.O.B.), AND IMPORTS OF 2,005 MILLION POUNDS (S.A., F.O.B.). THE INVISIBLES ACCOUNT SHOWED AN ESTIMATED SURPLUS OF 120 MILLION POUNDS. END
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PAGE 02 LONDON 03984 01 OF 02 121923Z

SUMMARY.

1. VISIBLE TRADE. THE BALANCE ON VISIBLE TRADE SHOWED A DETERIORATION OF 76 MILLION POUNDS (S.A.) IN THE OVER-ALL BALANCE BETWEEN JANUARY AND FEBRUARY. THE NON-OIL RELATED SURPLUS AMOUNTED TO 99 MILLION POUNDS IN FEBRUARY COMPARED TO 179 MILLION POUNDS IN JANUARY, WHILE THE DEFICIT IN PETROLEUM AND RELATED PRODUCTS WAS REDUCED BY 4 MILLION POUNDS TO 348 MILLION POUNDS. IN VOLUME TERMS, EXPORTS FELL BY 2.4 PERCENT WHILE IMPORTS ROSE BY 0.8 PERCENT. THE TERMS OF TRADE INDEX ROSE BY 0.4 PERCENT AS THE IMPORT UNIT VALUE INDEX INCREASED BY 1.1 PERCENT WHILE THE EXPORT VALUE INDEX ROSE BY 2.9 PERCENT.

2. TRADE VOLUME AND TERMS OF TRADE (MONTHLY AVERAGE)

A. UNIT VALUES

(B/P BASIS; 1970 EQUALS 100, N.S.A.)

	EXPORTS	IMPORTS	TERMS OF TRADE
1974	162.7	218.0	74.6
1975	198.5	245.7	80.8
1975 LST QU.	184.9	240.5	76.9
2ND QU.	193.4	241.1	80.2
3RD QU.	202.4	247.1	81.
4TH QU.	210.1	260.4	80.7
SEPT.	204.9	249.6	82.1
OCT.	207.2	255.8	81.0
NOV.	210.5	260.5	80.8
DEC.	212.6	264.8	80.3

1976

JAN.	215.6	266.3	81.0
FEB.	218.9	269.2	81.3

PERCENTAGE CHANGE - LATEST 3-MONTH AVERAGE OVER PREVIOUS 3-MONTH AVERAGE

PLUS 4 PLUS 4-1/2 MINUS 1/2

B. VOLUME (MONTHLY AVERAGE)

(B/P BASIS; 1970 EQUALS 100, S.A.)

	EXPORTS	IMPORTS
1974	130.1	135.4
1975	124.9	125.6
1975 FIRST QUARTER	128.9	125.6
SECOND QUARTER	122.6	122.4

UNCLASSIFIED

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PAGE 03 LONDON 03984 01 OF 02 121923Z

THIRD QUARTER	120.0	127.8
FOURTH QUARTER	128.3	128.1
SEPTEMBER	121.9	123.1
OCTOBER	130.5	128.9
NOVEMBER	123.4	128.0
DECEMBER	130.9	124.7

1976

JANUARY	131.9	124.7
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FEBRUARY 128.8 125.7
PERCENTAGE CHANGE - LATEST 3- MONTH AVERAGE OVER PRE-
VIOUS 3-MONTH AVERAGE:
PLUS 4 MINUS L-1/2

3. IMPORTS AND EXPORTS

VISIBLE TRADE
(B/P BASIS; IN MILLIONS OF POUNDS, S.A.)
EXPORTS (FOB) IMPORTS (FOB) VISIBLE BAL.

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PAGE 01 LONDON 03984 02 OF 02 122156Z

62

ACTION EUR-12

INFO OCT-01 EA-09 ISO-00 SP-02 USIA-15 AID-05 EB-07 NSC-05

CIEP-02 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00

FRB-01 INR-07 NSAE-00 XMB-04 OPIC-06 LAB-04 SIL-01

L-03 H-02 AGR-10 IO-11 /128 W
----- 117996

R 121912Z MAR 76
FM AMEMBASSY LONDON
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USDOC WASHDC

UNCLAS SECTION 02 OF 02 LONDON 03984

1974	15,895	21,159	MINUS 5,264
1975	18,772	21,972	MINUS 3,200
1975 LST QU.	4,532	5,382	MINUS 850
2ND QU.	4,479	5,160	MINUS 681

3RD QU.	4,635	5,621	MINUS	986
4TH QU.	5,126	5,809	MINUS	683
SEPTEMBER	1,582	1,792	MINUS	210
OCTOBER	1,728	1,945	MINUS	217
NOVEMBER	1,637	1,918	MINUS	281
DECEMBER	1,761	1,946	MINUS	185

1976

JANUARY	1,778	1,951	MINUS	173
FEBRUARY	1,756	2,005	MINUS	249

PERCENTAGE CHANGE - LATEST 3-MONTH AVERAGE OVER PREVIOUS 3-MONTH AVERAGE:

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PAGE 02 LONDON 03984 02 OF 02 122156Z

PLUS 7 PLUS 4-1/2

4. THE INVISIBLE TRADE AND CURRENT ACCOUNT. THE BALANCE ON SERVICES AND OTHER TRANSACTIONS IS ESTIMATED TO HAVE BEEN IN SURPLUS BY 120 MILLION POUNDS IN FEBRUARY. THUS THE VISIBLE TRADE DEFICIT OF 249 MILLION POUNDS COMBINED WITH THE ESTIMATED INVISIBLES SURPLUS YIELDED A DEFICIT IN CURRENT ACCOUNT OF 129 MILLION POUNDS. NOTE THAT THERE HAVE BEEN EXTENSIVE REVISIONS IN MONTHLY AND QUARTERLY ESTIMATES OF UK CURRENT ACCOUNT DATA BOTH IN VISIBLE AND INVISIBLE TRADE.

CURRENT ACCOUNT
(MILLIONS OF POUNDS, S.A.)

1974		MINUS	3,650
1975		MINUS	1,702
1975	FIRST QUARTER	MINUS	435
	SECOND QUARTER	MINUS	336
	THIRD QUARTER	MINUS	625
	FOURTH QUARTER	MINUS	306
	SEPTEMBER	MINUS	89
	OCTOBER	MINUS	92
	NOVEMBER	MINUS	155
	DECEMBER	MINUS	59
1976	JANUARY	MINUS	53
	FEBRUARY	MINUS	129

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Message Attributes

Automatic Decaptioning: X
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Current Classification: UNCLASSIFIED
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Copy: SINGLE
Draft Date: 12 MAR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
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Enclosure: n/a
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Errors: N/A
Film Number: D760094-0807
From: LONDON
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1976/newtext/t19760367/aaaacgzl.tel
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Margaret P. Grafeld
Declassified/Released
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EO Systematic Review
04 MAY 2006

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Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UK TRADE AND CURRENT ACCOUNT IN FEBRUARY SUMMARY: IN FEBRUARY, THE UK CURRENT ACCOUNT IS ESTIMA-
TAGS: EFIN, UK
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006